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FOR IMMEDIATE RELEASE

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## LT. GOVERNOR BROWN ANNOUNCES NEXT STEP TOWARDS ESTABLISHING MARYLAND'S HEALTH ENTERPRISE ZONES

*Community Health Resources Commission Issues Call for Proposals*

ANNAPOLIS, Md. (October 5, 2012) — Lt. Governor Brown announced today that the Maryland Community Health Resources Commission (CHRC) has issued a Call for Proposals for Health Enterprise Zones (HEZ), an initiative championed by the Lt. Governor and jointly administered by the CHRC and Maryland Department of Health and Mental Hygiene (DHMH). The HEZ Initiative is a four-year pilot program that provides \$4 million per year to address health disparities by enabling underserved and isolated communities to draw on a range of incentives, benefits, and grant funding to expand health care access and address health disparities. HEZs are contiguous geographic areas that demonstrate measurable and documented health disparities, economic disadvantage, and poor health outcomes.

**“Though Maryland has some of the finest health care resources in the world, far too many communities in our state lack access to fundamental health care services,”** said Lt. Governor Anthony G. Brown. **“Health Enterprise Zones will empower communities to expand community health resources to improve health, expand access to health care, and reduce health care costs.”** As Chair of the Maryland Health Quality and Cost Council, Lt. Governor Brown established the Health Disparities Work Group, led by Dean E. Albert Reece, M.D., Ph.D., M.B.A. of the University of Maryland School of Medicine. The Work Group developed recommendations that led to the formation of the HEZ Initiative.

A public conference call for potential applicants to learn more about the Call for Proposals process and timeline will be held on Thursday, October 11 at 2:30 p.m. The dial in number for the conference call is (866) 233-3852, and the participant access code is 267478. Letters of Interest will be accepted and reviewed by the CHRC on a **rolling basis** and are due no later than 5:00 p.m. on Friday, October 19. Final HEZ applications are due to the CHRC on Tuesday, November 13 at 12:00 p.m. The DHMH Secretary will make the final HEZ designations by the end of the calendar year. The State is expected to award two to four zones as part of the pilot program.

The Maryland Health Improvement & Health Disparities Reduction Act of 2012, signed into law earlier this year, established the HEZ program. Through this Call for Proposals, non-profit community-based organization and local health departments may apply for HEZ designation status, which will be awarded on a competitive basis. Once designated, HEZs will have access to a range of incentives that include state income tax credits; hiring tax credits; loan repayment assistance; priority entrance into the state's Patient Centered Medical Home Program; priority for available state electronic health record (EHR) grant funding; additional grant funding from the CHRC; and capital grant support.



**“Today's announcement is a critical step for an innovative initiative to address unacceptable health disparities,”** commented Joshua M. Sharfstein, M.D, Secretary, DHMH. **“By developing and implementing Health Enterprise Zones, Maryland communities will be able to invest in health and address longstanding inequities.”**

The purposes of the HEZ Initiative are to: (1) Reduce health disparities among racial and ethnic minority populations and among geographic areas; (2) Improve health care access and health outcomes in underserved communities; and (3) Reduce health care costs and hospital admissions and re-admissions. The HEZ Initiative is very much in line with ongoing efforts underway at DHMH to align payment incentives to reward quality of care rather than volume.

**“The Community Health Resources Commission is committed to addressing health disparities,”** commented John A. Hurson, Chair, CHRC. **“HEZ resources will expand access in the greatest underserved areas in the state.”** Over the last seven years, the CHRC has awarded 110 grants, totaling \$26.3 million, supporting programs in all 24 jurisdictions of the state. The programs have collectively provided access to health care services for more than 105,000 Marylanders.

To view the Call for Proposals, click [here](#). For additional information about the HEZ Initiative, please visit [http://dhmh.maryland.gov/healthenterprisezones/SitePages/How\\_to\\_Apply.aspx](http://dhmh.maryland.gov/healthenterprisezones/SitePages/How_to_Apply.aspx)

Lt. Governor Brown leads the O'Malley-Brown Administration's efforts to reduce costs, expand access, and improve the quality of care for all Marylanders. Under the leadership of Governor O'Malley and Lt. Governor Brown, Maryland has implemented reforms that have expanded health coverage to more than 341,000 Marylanders, half of whom are children, established Maryland's Health Benefit Exchange, and put the State in position to maximize the Affordable Care Act (ACA). Independent analysis by the Hilltop Institute at the University of Maryland Baltimore County has found that implementation of the ACA will benefit the state's budget by \$672 million through 2020, generate more than \$3 billion in annual economic activity, cut the number of uninsured in half, and create more than 26,000 jobs.

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